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ABSTRACT

This document is an inventory of public and private educational expenditure from an international perspective and sets out the concepts, definitions and procedures useful in accounting for educational expenditure. The monograph defines the field within which expenditure is to be observed; details the necessary expenditure data to be collected from public and private authorities; indicates the classification of expenditure used in each case; and applies the concepts discussed above to the information which a United Nations Educational, Scientific, and Cultural Organization (UNESCO) questionnaire seeks to obtain. The document covers the following topics: the field of observation by expenditure, including public institutions, private, non-profit institutions, and private institutions; expenditure by public authorities on educational and ancillary activities; current and capital expenditures by public authorities, as well as loans net of repayments, and total expenditure; expenditure by private authorities, including households and enterprises; resources and expenditures of private institutions; use of the collected data; and seven tables detailing classification of public and private educational expenditures and resources as well as a definition of the information requested in the UNESCO questionnaire. (CK)

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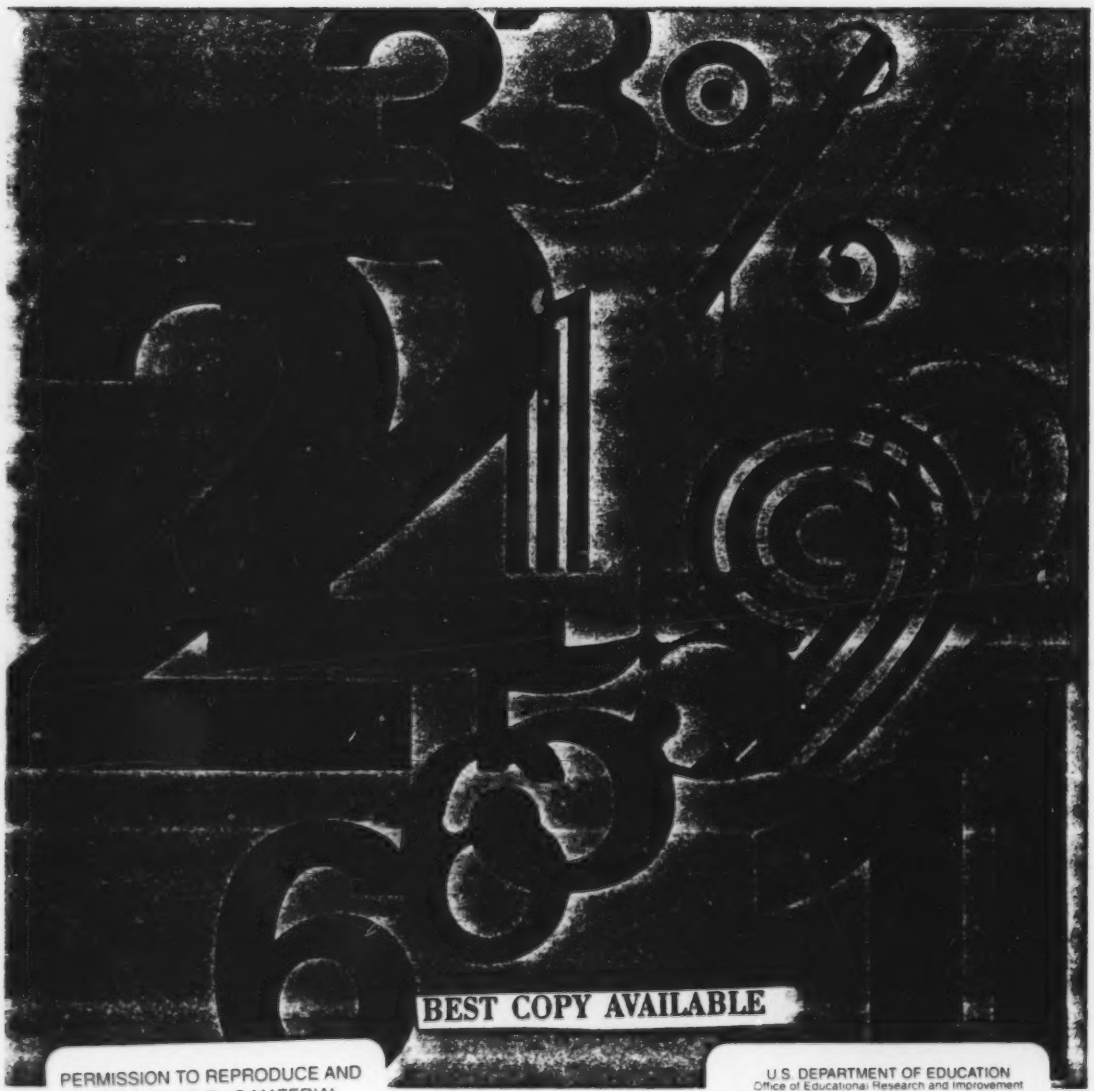
No. 34

Towards a standardized definition of educational expenditure

statistical reports and studies



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No. 34

Towards a standardized definition of educational expenditure

by

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FOREWORD

Wishing to improve its methods of determining educational expenditure in the different countries, the UNESCO Division of Statistics decided to begin the process by drawing up a standardized international specification for the concept of expenditure.

The report on this exercise is submitted for discussion and expert comment. It attempts to give a clear definition of educational expenditure and to specify what data are needed for educational accounts so that the relevant contributions of public and private authorities can be identified.

However, having set out these objectives, this report does not claim to provide a certain and definitive answer to the problems raised by such an exercise. Indeed on the contrary, it is merely intended to provide a starting point for joint consideration of the topic and to elicit reaction and comment from which a guide for the determination of expenditure might be drawn up.

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The guide described here is intended to provide a fairly precise inventory of public and private educational expenditure. There are several reasons for setting up a specific data collection system in this field. To begin with, since education absorbs a substantial proportion of national resources, it is important that the transactions involved are known in detail. Secondly, the data collection system currently used by UNESCO is based upon somewhat imprecise concepts, and so cannot always guarantee to provide a satisfactory representation of expenditure. A final justification for defining an accounting system specific to the education sector is that none of the various United Nations accounting systems can follow activities in this sector alone, which means that in this field their approach is fairly general.

This report sets out the concepts, definitions and procedures useful in accounting for educational expenditure. Its aim is strictly methodological, with no attempt to tackle the problems of using and interpreting the data collected. Clearly however, by motivating the production of relatively homogeneous financial data, the accounting system will help to improve understanding of the financial flows in educational development, to quantify more precisely the costs of running educational systems and countries' efforts in the field, and to improve the planning of relevant expenditure. It will also ensure that international comparative studies have access to statistics more coherent than those currently available.

The data collection system has largely been built up from scratch. Its formulation is based upon various publications and some of the definitions given have been taken directly from United Nations recommendations aimed at harmonizing the different national accounting systems[1]. Since countries use different information processing methods, different standards for preparing budgets and a variety of public accounts systems, the

[1] In particular it is based on the following sources: A System of National Accounts (SNA), United Nations, 1968; International Standard Classification of Education (abridged version), UNESCO, 1975; Towards a system of social and demographic statistics, United Nations, 1975; A Manual of Government Finance Statistics, International Monetary Fund, 1986.

headings and concepts referred to here are clearly not adapted to all countries. Hence the classification system given should be regarded as a general guide for making statistical data more systematic, leading to a homogeneous and suitable approach to educational expenditure.

This guide consists of a number of complementary parts. First, it defines the field within which expenditure is to be observed, by specifying the characteristics of the different agents involved in the field of education. The report then details the necessary educational expenditure data to be collected from public and private authorities, and indicates the classification of expenditure used in each case, partly based upon the International Standard Classification of Education (ISCED). Finally, the concepts defined above are applied to the information the UNESCO questionnaire seeks to obtain.

THE FIELD OF OBSERVATION OF EXPENDITURE

According to the System of National Accounts (SNA), education may in principle be provided by three types of institution:

- public institutions, controlled and funded by public authorities;

- private, non-profitmaking institutions, controlled and directed by a physical person or organization (e.g., an institution, association, foundation or company), receiving grants from the different public authorities;

- private institutions, controlled and managed by a physical person or organization (e.g., an institution, association, foundation or company), that makes a profit.

The first two categories of institution offer their services free of charge or at a cost that is low compared with the real cost of the activities they offer. However the third category of institution charges fees for the education it provides that differ little from its real cost.

The guide aims to describe the expenditure related directly and indirectly to the production of educational activities in public and private institutions, whether subsidized or not, drawing a distinction between those which come under public authorities and those which belong to private organizations (households, enterprises, institutions, etc.).

I. Definitions

Public authority expenditure covers that of the central or federal government, state governments, provincial or regional governments, where these exist, together with the expenditure of municipal and other local authorities.

The expenditure in question is that committed by these different funding agencies to public education and to grant-aided (subsidized) private education. It includes not only domestic expenditure within a country but also transfers overseas, so as to provide an estimate of national educational expenditure as appropriate, although strictly speaking these transfers count more as overseas aid than educational expenditure.

By definition, the central government is taken to include ministerial departments, agencies and autonomous institutions which have educational responsibilities[2].

State governments, and provincial and regional authorities, are taken to be decision-making levels intermediate between the central government and the local authorities which have responsibilities for one part of the country. The extent to which they are independent of the next higher rank in the administrative structure is measured by their ability to obtain resources directly and by whether decisions taken by their managers are under the control of the central government.

Local authorities are government units whose competence encompasses a rural or urban district of the country. Depending on the country, these local authorities combine a great variety of government entities such as counties, municipalities, districts or local government groupings. Their degree of independence is defined using the same criteria as for state governments and provincial and regional authorities.

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[2] Using the definition of education given below.

At each of these decision-making levels, the statistics cover transactions made by all departments or services with educational responsibility. Thus as regards the central government for example, public educational expenditure is mostly funded by the Ministry of Education; in certain countries, however, education may come under several ministries, each having responsibility for one or more sectors of the education system (such as primary and secondary education, technical education, or higher education) in which case it is important to identify the relevant activity. If the ministry or ministries of education combine their educational tasks with other, not directly related functions (such as research, culture, sports, youth activities, etc.), the expenditure relating to these functions is disregarded. Of course, in the same way, the statistics should attempt to cover all educational expenditure coming under other ministries (ministries for health, agriculture, employment, tourism, and so on).

The expenditure of the different funding agencies listed above covers only their expenditure for educational purposes, as defined below. In other words, the research expenditure of public authorities, apart from spending on educational research, is not taken into account. However, as regards higher education, where educational and research activities are often combined, certain types of joint expenditure, such as the salaries of teaching staff for example, are included together since without highly specific surveys it is extremely difficult to separate out the portions of the funds ascribable to each activity. For the same practical reasons, expenditure by teaching hospitals is not taken into account, this being tantamount to saying that the usual pattern of their educational activities fairly closely overlaps the health aspects of their work.

II. Type of data to be collected

The powers and functions of the different levels of public decision-making vary from one country to another. In federal countries, where responsibilities for funding education are usually regionally based, greater importance should be placed on collecting data at that administrative level. However it is essential to collect information at every level of government in all countries, so that the interactions existing between the different decision-making centres and the type of transfers that take place can be understood.

Statistics on public educational expenditure are extracted from the budgets of the different governments with relevant responsibilities. Since the aim is to report real transactions by public authorities, the financial data are taken from *post hoc* budgets and not from budget proposals or voted budgets which do not show actual expenditure.

Since there are many local governments and the presentation of their accounts is not necessarily standardized, it may be preferable to estimate expenditure at these administrative levels from the results of surveys covering a representative sample of authorities, and transposed to national level using an appropriate system for weighting the results of the surveys. If the interval between these surveys exceeds one year, results are updated simply by multiplying the unit expenditure of the local authorities estimated in this way by the prices index and by the number of students enrolled at the particular level. Of course, this use of surveys is superfluous when data for the transactions of local governments are listed by higher administrations who are responsible for them.

The data collected show the expenditure by all public authorities over a complete financial year[3]. If the length of the financial year varies from one authority to another and/or if the start and finish dates do not coincide from one level to the next, the accounts of the different public authorities are adjusted so as to produce financial data for a standard period. Economic and demographic statistics that are comparable with these financial data are usually available for calendar years, or even for academic years in the case of data on factors and products pertaining to the education system, and these must be corrected when the budgetary year does not coincide with the period of data observation.

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[3] In the very great majority of cases, countries have annual budgets. Where budgets covering several years exist, these are usually updated annually.

In order to avoid double accounting, the expenditure of the different public authorities is consolidated, the aim being to determine the internal transactions of authorities at a given level of government and to separate out the movements taking place between authorities at different decision-making levels. The principle followed is that transfers between the different public authorities are attributed to the spending unit and not to the one receiving the funds; in other words, the concept of initial expenditure is preferred to that of final expenditure. From a practical point of view, if the financial year differs from one government to another, expenditure by public authorities is consolidated on the basis of a division of transfers proportional to the length of the financial year of the different governments.

Finally, it is clear that with this initial financing approach, transfers to public authorities from other agents, particularly the compulsory contributions enterprises pay under the heading of professional training, are not included in the expenditure of public authorities.

III. Functional classification of expenditure

The classification used in this guide makes a distinction between educational activities as such and the so-called ancillary activities they involve. On principle, these activities exclusively concern collective education, and so, as in the ISCED, expenditure arising from "in-service" training, self-education or special courses, for example, is disregarded. In any event these activities are related solely to the formal side of education, in other words it is assumed by definition that students are registered or enrolled in a teaching institution.

The various transactions described below (remuneration, purchase of goods and services, transfers, loans, and so on) are assigned to each of the functions given in the classification. However, where the expenditure covers several of the teaching or ancillary activities detailed here the proportions attributable to each may, as appropriate, be estimated *pro rata* to the number of students involved in each activity, or assigned to the predominant function concerned.

Table A sets out the functional classification of expenditure used in this guide. It shows the different categories of expenditure, to be defined later (total expenditure, current expenditure, capital expenditure, transactions related to loans) and in fact applies both to public and private educational expenditure.

1. Educational activities

The expenditure considered here is that which finances the production of education to the exclusion of any other ancillary activity described later. In other words, the expenditure ascribable to educational activities concerns all the human and financial resources involved in the development of the education function in the strict sense, and covers the gifts and transfers made to educational institutions for this purpose as well as the expenditure allocated to resident families and overseas authorities in the form of loans, gifts and transfers. Pending the issue of the new version of ISCED, the classification of educational activities used here is based partly on that used in the existing UNESCO questionnaire. The brief descriptions of the different categories are therefore taken from the current issue of ISCED.

Table A

Functional classification of public expenditure on education

1. Educational activities

    1.1 Regular school and university education

        1.1.1 Preceding the first level (pre-primary)

        1.1.2 First level (primary)

        1.1.3 Second level (secondary), first stage
            1.1.3.1 General
            1.1.3.2 Vocational and technical

        1.1.4 Second level, second stage
            1.1.4.1 General
            1.1.4.2 Teacher training
            1.1.4.3 Vocational and technical

        1.1.5 Third level (higher)
            1.1.5.1 University
            1.1.5.2 Non-university

        1.1.6 Special education

        1.1.7 Other types of education

    1.2 Adult education

        1.2.1 Literacy programmes

        1.2.2 Other adult education

        1.2.3 Life-long education

        1.2.4 Other types of education

2. Ancillary activities

    2.1 General administration

    2.2 Research and educational documentation

    2.3 School medical services

    2.4 University libraries

    2.5 School transport services

    2.6 School meals and boarding facilities

    2.7 Other activities

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1.1 Regular school and university education

According to ISCED, instruction generally begins at an age of between 3 and 7 years and it is quite normal that certain students continue up to the age of 20 to 25.

1.1.1 Preceding the first level

Where it is available, education preceding the first level begins at the age of 3, 4 or 5, or even earlier, and lasts for one to three years (ISCED category 0). Programmes at this level contribute more to the social, intellectual and physical development of the child than to the acquisition of knowledge or special skills. Education at this level is usually optional and is provided in nursery schools, kindergartens or similar institutions.

1.1.2 First level (primary)

Education at the first level begins at the age of 5, 6 or 7 and covers about 5 or 6 years of full-time schooling, usually compulsory (ISCED category 1). Programmes are designed to give the students a sound basic education in reading, writing and arithmetic along with an elementary understanding of other subjects. In countries where the amount of secondary education is limited or even nonexistent, education at this level may include vocational training and general education for the student. In other countries, education at this level also includes the equivalent of ISCED level 2 (second level, first stage) and may therefore last 8 years or more.

1.1.3 Second level (secondary), first stage

The first stage of secondary education usually starts at the age of 11 or 12 and involves 3 or 4 years of full-time attendance (ISCED category 2). At this level, the guide makes a distinction between general education and technical and vocational training.

1.1.3.1 General

Programmes in the first general stage are designed to extend the education received at primary level to a broader and more theoretical base and to provide an introduction to specialisation in certain fields. This type of education, which is usually compulsory, is

provided in general secondary educational institutions, colleges and the general education sections of vocational institutions.

1.1.3.2 Vocational and technical

The first stage of vocational and technical education is for students who have usually received sufficient primary education (5 or 6 years at school). At this level, many programmes are designed to prepare the students fairly rapidly for particular trades and frequently produce workers with only a low level of skills. Other programmes, which generally last longer (2 to 5 years), include a certain amount of general education while being directed towards producing skilled workers.

1.1.4 Second level, second stage

The second stage of secondary education requires attendance at school for a similar period to the first level, and students leave at the age of 17 or 18 (ISCED category 3). At this level, this guide makes a distinction between general education, teacher training and technical and vocational education.

1.1.4.1 General

Education in the general second stage is for students who have completed their studies at the first stage. The programmes are designed to supplement the education received in that phase of the school system; they stress the theoretical, philosophical, scientific and mathematical aspects of subjects and include little or no technical matter. This type of education is usually provided in secondary schools and normally gives access to university studies.

1.1.4.2 Teacher training

This section includes the programmes of the second stage of secondary education which are designed to develop the general education of students while providing them with special training enabling them to teach in primary schools (ISCED programme 314).

1.1.4.3 Vocational and technical

Technical education in the second stage contains programmes with a strong vocational slant for students who have already had 8 years of full-time education. It also includes a number of programmes for training skilled or semi-skilled workers in manual or production-related trades. The level of education required to enter these courses varies but is usually not less than 8 years of schooling.

1.1.5 Third level (higher)

This section includes education at the first stage of the third level leading either to a certificate not equivalent to a first university degree (ISCED category 5) or to a first university degree or similar qualification (category 6 of ISCED), and education at the second stage leading to a higher university degree or equivalent qualification (ISCED category 7). In this guide, the different courses are classified according to type and not level or field of study.

1.1.5.1 University or equivalent

Education at the third level leading to a first university degree or equivalent qualification is generally for students who have completed their secondary studies. This education therefore begins towards the age of 17 or 18 and requires at least 4 years of full-time study, but often 5 or 6 and sometimes even 7 years. The programmes are usually provided by universities and have a varied content; they lead for example to a bachelor's degree, professional qualification in engineering, or doctor of medicine.

This stage includes the third level programmes leading to a higher university degree or equivalent qualification. These forms of education are for people who have already successfully completed studies leading to a first university degree. They cover programmes of professional education of a very high level or which involve advanced private research and usually require between 1 and 4 years of study. They lead either to a master's degree and high level professional qualifications or to original research work for a doctorate.

1.1.5.2 Non-university

This form of education is for those who have completed secondary studies and who are continuing their education in a type of programme not leading to a university degree. The programmes place relatively less importance on the theoretical, general and scientific aspects of the subjects studied but place particular stress on the application of knowledge from a professional standpoint. Their content is fairly similar to the courses leading to a first university degree, but differs in being shorter and more practical in nature. The range of subjects covered is usually very wide; for example they are aimed at developing highly skilled technicians, office staff, artists, production supervisors, journalists, and so on.

These programmes are usually provided by educational institutions operated by the different public authorities, professional associations, labour organizations, universities, private schools, hospitals and so on.

1.1.6 Special education

Special education is provided in special classes, groups or institutions to students with special needs. In many countries, special education is defined as being based exclusively on ordinary school and university education, within which provision is made for programmes adapted to the needs of children and adolescents suffering from physical, mental or affective disorders, and courses of special education.

1.1.7 Other types of education

This section covers all types of education that cannot be defined by level (category 9 of ISCED).

1.2 Adult education

Adult education is regarded as out-of-school education for people who are usually fifteen or older and who are not in the regular school and university system.

1.2.1 Literacy programmes

These programmes cover simple literacy programmes designed to teach students to read, write and count, and functional literacy programmes where the aim is to teach basic reading, writing and arithmetic.

1.2.2 Other adult education

This section includes education programmes of any type and level designed specially for adults, excluding the literacy programmes described above. They are usually organised on a part-time basis, for example as evening classes, correspondence courses or other distance learning arrangements.

1.2.3 Life-long education

Life-long education covers all vocational training activities for those in work or unemployed.

As regards refresher courses, seminars, training days, retraining programmes and specialisation courses for working teachers, the remuneration they receive is not taken into account here but under the educational activity in which they are involved.

Continuing vocational training programmes for other employees and insertion and vocational retraining programmes made available to job seekers may be arranged by public authorities or by enterprises, and usually last no more than a few weeks. The insertion and retraining programmes may involve remuneration but this is not regarded here as educational expenditure.

1.2.4 Other types of education

This section covers the types of education not covered in the preceding categories.

2. Ancillary activities

Ancillary activities contribute to the process of transmitting and acquiring knowledge, involving the administration and management of the educational sector and the production of different goods and services related to the operation of the education system. In this guide, ancillary activities are classified according to the educational activities to which they refer.

2.1 General administration

This function covers the activities of the central administrative services which, at the different levels of decision-making concerned (central or federal government, state governments, provincial authorities or regional governments, municipal authorities and other local authorities), have the task of organising, regulating, controlling, inspecting and managing the educational system.

2.2 Research and educational documentation

The activities included in this function relate to the development of new teaching methods and the production and distribution of necessary teaching equipment (books, videos, etc.) to teachers at the pre-primary, primary and secondary levels. This section also covers the guidance and promotional services of the educational sector which are designed to inform students and their families of the functioning of the educational system and the opportunities it can provide.

2.3 School medical services

This function covers the activities of the preventive medical services organised for pupils and students at the different educational levels considered. As a general rule, the occupational medical services normally intended for teaching and non-teaching staff in the sector are included under the general administration function.

2.4 University libraries

This section details the systems allowing students at the third level to access documentation services free of charge. The internal libraries of first and second level institutions are not

considered here, their operating and equipment costs being included in the expenditure for the corresponding educational activity.

2.5 School transport services

This activity covers all the collective school transport services organised to facilitate pupils' access to institutions. These services may be provided directly by public authorities or the institutions concerned, or subcontracted to private firms. The expenditure included under this function is net of payments made by pupils for these services.

2.6 School meals and boarding facilities

This function includes all the catering and accommodation facilities designed to assist pupils' attendance at school (canteens and boarding facilities managed by the institutions or public authorities, restaurants and university residences), excluding those set aside for staff which are classified under the education function or that of general administration according to those involved. As in the previous case, these services may be provided directly by public authorities or by the institutions concerned, or subcontracted to private firms. The expenditure included in this function is net of payments made by pupils for using these services.

2.7 Other activities

This section includes all the activities not specified above.

IV. The economic classification of expenditure

This expenditure includes all payments made by the various public sponsors in the field of education as defined above, including transfers, gifts and loans they make.

These different transactions are classified in economic terms and, in particular, current expenditure is distinguished from capital expenditure. However, transactions relating to loans are classified separately, in accordance with the principles applied by the United Nations[4].

Also, a distinction is made between operations involving foreign countries and transactions carried out within the country. This distinction is based upon the usual concept of residence. By definition therefore, educational institutions controlled by public authorities but located abroad are regarded as resident agencies. However, transactions carried out with authorities or individuals whose main economic interest is not within the country are regarded as operations performed with non-residents.

The economic classification of expenditure is detailed below and set out in **table B**.

1. Current expenditure

This expenditure covers direct payments and transfers for the purchase of goods whose lifespan does not exceed one year. This expenditure is normally set out in a special section of the budget of the different public authorities. However the direct payment of certain costs of subsidized private institutions, such as personnel costs for example, some of which may be identified in the budget of public authorities, is not regarded as such but is included with other payments made to these institutions[5].

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[4] See "A manual of Government Finance Statistics", International Monetary Fund, 1986

[5] Where there is a substantial subsidized private sector, this procedure may result in a significant amount of information not being known. However the information lost in this way can be recovered under the system dealing with expenditure of private institutions described later.

Table B

Economic classification of public expenditure on education

1. Current expenditure

    1.1 Personnel emoluments
        1.1.1 Teachers and student teachers
        1.1.2 Non-teaching staff

    1.2 Purchases of goods and services
        1.2.1 Purchases of teaching equipment
        1.2.2 Other purchases of goods and services

    1.3 Transfers
        1.3.1 To private educational institutions
        1.3.2 To households
        1.3.3 To enterprises
        1.3.4 To foreign countries

    1.4 Interest payments

    1.5 Other current expenditure

2. Capital expenditure

    2.1 Purchases of fixed assets
        2.1.1 Land
        2.1.2 Buildings

    2.2 Purchases of moveable assets

    2.3 Capital transfers
        2.3.1 To private educational institutions
        2.3.2 To foreign countries

    2.4 Other capital expenditure

3. Loans net of repayments

    3.1 To private educational institutions

    3.2 To households

    3.3 To foreign countries

    3.4 Other loans

4. Total expenditure

1.1 Personnel emoluments

Contrary to the principles of the System of National Accounts (SNA), this section only covers the cash emoluments paid to personnel involved in producing the different educational services and excludes the monetary equivalent of the goods and services offered free of charge or at reduced cost to personnel by employers (tied dwellings and vehicles, free meals, health and insurance services, social services, exemptions from school fees, and so on).

Cash emoluments are defined as the expenditure on the wages and salaries (including cash premiums and compensation payments) paid to personnel, together with employers' and employees' contributions to the various pension and social security funds, whether membership of these is compulsory or not. If the retirement pension contributions paid into the budgets of public authorities are less than the pensions these authorities actually pay out, the difference between the two is included in the personnel expenditure. In principle, these notional contributions are given in proportion to the main emoluments of staff in the educational sector.

1.1.1 Teachers and student teachers

In line with the principles described above, this section includes the emoluments of the different categories of personnel involved in teaching (masters, teachers, section heads, assistants, auxiliaries, directors of study, directors of departments, and so on), regardless of whether these are in service or undergoing training, postholders or auxiliaries. The salaries paid to student teachers are regarded as an educational expense and are included in that category. However, the emoluments received by other students, such as medical students, apprentices or trainee civil servants, and the payments and indemnities paid to those undergoing vocational training, are not included here.

1.1.2 Non-teaching staff

The salaries of other categories of personnel involved in educational activities as such are included, together with the remuneration of all personnel involved in producing the different ancillary services (managers, technical and administrative staff, and personnel involved with surveillance and other services, inspection, educational documentation and research, occupational medicine, school medical services, and so on) regardless of whether

these are in service or undergoing training, postholders or auxiliaries. The remuneration of teaching staff seconded from their original functions to tasks in the administration, management or control of educational activities, or similar activities, are included in this section and not in the previous one.

1.2 Purchases of goods and services

This category covers all purchases of goods and services necessary for producing the function in question and having a lifespan of one year or less. A distinction is made between expenditure on teaching equipment and purchases of other goods and services.

1.2.1 Purchases of teaching equipment

This section includes expenditure directly related to educational activities; in particular it includes the purchases of books, textbooks, exercise books and other school supplies.

1.2.2 Other purchases of goods and services

This section covers expenditure on non-durable equipment, expenditure on maintaining and repairing furnishings, fittings and premises, maintenance contracts on equipment, contracts for leasing fixed and moveable goods, the costs of water, electricity, heating and telephones, together with insurance premiums, and the travel and subsistence costs of personnel recruited for the purposes of these different functions.

1.3 Transfers

In this section, transfers are taken to be non-reimbursable payments used to fund current expenditure. In accordance with the United Nations principles, these transfers are classified according to those receiving the funds, which means that no account is taken of their final use. Hence a transfer to a foreign country must be entered in the corresponding section 1.3.4, even if this transfer is ultimately intended as cash grants to non-resident families.

1.3.1 To private educational institutions

This category covers transfers from public authorities to subsidized private institutions, including those payments identifiable as support to educational or similar activities in these institutions (direct emoluments of personnel, purchases of certain goods and services, and so on).

1.3.2 To households

This section includes all cash assistance paid by the different public authorities to resident households, with no equivalent return, to cover the costs of educational activities. In other words this category includes waived fees, scholarships intended to finance direct and/or related educational expenditure, together with grants paid to residents for pursuing studies overseas. These transfers are normally assigned to the activity they concern, but when it is not possible to identify their ultimate purpose, they are grouped with the main function to which they refer.

1.3.3 To enterprises

This section includes subsidies paid to enterprises in respect of continuing vocational training, less any compulsory contributions the enterprises pay to public authorities.

1.3.4 To foreign countries

This category covers the non-compulsory and non-reimbursable payments made to foreign countries to cover current educational expenditure, including the emoluments of teaching and non-teaching personnel employed on an international co-operative basis. In accordance with the principles of the System of National Accounts (SNA), excused loans are regarded as gifts and are therefore included in the section on "transfers".

1.4 Interest payments

Interest is payment for the use of money borrowed by public authorities for the purposes of developing the activity in question. It should not be lumped together with repayments of principal which by definition are included in the capital operations, nor with the brokerage and commission costs related to loans which are included with the purchase

of goods and services. The interest targeted here is related to loans obtained nationally and internationally and from the different international agencies. The amount of interest included in this section is that actually paid during the period for which expenditure is being evaluated.

1.5 Other current expenditure

This category covers other current expenditure not specified earlier.

2. Capital expenditure

Capital expenditure includes payments and transfers made for the acquisition of goods of significant market value and having a normal lifespan of more than one year, including transactions performed for the refurbishment and improvement of these goods, but excluding expenditure on their maintenance, which is included under the purchases of goods and services. Small items of equipment (pictures, cards, small items of office equipment, etc.), spare parts and low cost materials which are periodically renewed are not included here, but placed in the category of current expenditure, even if their lifespan exceeds one year.

2.1 Purchases of fixed assets

This section makes a distinction between purchases of land and purchases of buildings for the different functions concerned.

2.1.1 Land

This category includes the acquisition of land needed for the relevant activities, excluding any buildings that may be constructed on it. If the value of the land cannot be separated from the value of the buildings, the total expenditure is assigned to one or the other heading according to which is predominant.

2.1.2 Buildings

This section includes installations and fixed items within the boundary of the land such as water and electricity connections, the construction of car parks and gardens,

buildings intended for the current functions, together with major works of renovation and development of premises.

2.2 Purchases of moveable assets

This section includes all expenditure on the acquisition of goods and durable equipment necessary for educational and ancillary activities (computers, laboratory apparatus, copying machines, audiovisual equipment, large tools, catering facilities, furnishings and fittings, large items of sanitary equipment, vehicles, etc.).

2.3 Capital transfers

The transfers covered here are non-reimbursable payments made by public authorities to enable the recipients to increase their stock of capital. These transactions are detailed in a similar manner to those involved in current transfers.

2.3.1 To private educational institutions

This category covers transfers by public authorities to subsidized private institutions.

2.3.2 To foreign countries

This category covers non-compulsory and non-reimbursable payments to foreign governments, international institutions, foreign individuals and institutions to cover capital expenditure related to educational and ancillary activities. In accordance with the principles of the SNA, loans granted to countries and subsequently excused are regarded as gifts in this guide and are therefore included in the section on "transfers".

2.4 Other capital expenditure

This category covers other capital expenditure not specified above.

3. Loans net of repayments

Unlike transfers, loans are defined as payments implying financial charges to those who receive them. They may be granted to educational institutions, households or to public

or private non-resident authorities. The amount of loans listed in this section is that which corresponds to the year for which the educational expenditure is being evaluated, less the amount repaid by the borrowers during the same period.

3.1 To private educational institutions

This category covers loans granted by public authorities to subsidized private educational institutions.

3.2 To households

Loans granted to resident households are intended to cover the costs of the different educational activities of their members taking place during the period for which expenditure is being evaluated.

3.3 To foreign countries

This section includes loans granted to foreign governments, international institutions, foreign individuals and institutions to allow them to finance educational and ancillary activities.

3.4 Other loans

This section includes loans not detailed in the preceding categories.

4. Total expenditure

Total expenditure is the sum of the current transactions and capital expenditure described above.

V. An example of cross-classification

The presentation of data by type and by function makes it possible to evaluate the structure of the expenditure corresponding to each activity in a sufficiently detailed manner, and to compare the breakdown of expenditure committed to the production of the different functions involved both in time and in space.

With regard to the economic and functional typologies described above, **table C** gives a simple example of the cross-classification of the educational expenditure of public authorities for all their educational activities.

Table C

Example of cross-classification of public educational expenditure

	Current Expenditure							
	Emoluments		Purchases of goods and services	Transfers			Interest payments	Other expenditure
	Teaching staff	Other staff		Institutions	Households	Other		
Teaching activities								
Ancillary activities								
General administration								
Research and documentation								
School medical services								
University libraries								
School transport services								
School meals and boarding								
Other activities								
Total								

	Capital Expenditure					Loans		Total expenditure
	Purchases of goods		Transfers		Other expenditure	Institutions	Other	
	Fixed assets	Moveable assets	Institutions	Other				
Teaching activities								
Ancillary activities								
General administration								
Research and documentation								
School medical services								
University libraries								
School transport services								
School meals and boarding								
Other activities								
Total								

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I. Introduction

This part of the document sets out the expenditure of households and enterprises on public and private education and also refers to the sources of funding and expenditure of subsidized and non-subsidized private institutions taken all together.

The expenditure described here - unlike the case of public authorities - is the final expenditure of private sponsors and producers, and therefore includes transfers from public authorities and transfers internal to the private authorities. In order to avoid double accounting, the expenditure of all of them is then consolidated on the simple but realistic assumption that the transfers are used exclusively for funding educational expenditure, which is then tantamount to defining the initial expenditure of private authorities as the difference between their observed final expenditure and the amount of the transfers they receive.

When the data are for different periods, the figures for households, enterprises and private institutions are adjusted to give financial data covering the same period as that applying to the expenditure of public authorities.

Finally, the definitions of the expenditure listed in this second part are the same as those used for public expenditure and are not repeated here.

II. Expenditure of households

Definitions

The expenditure of households is taken to be that committed by resident families for the education of their members.

In the same way as for public authorities, the expenditure listed here is intended to finance the educational activities defined in the ISCED, so that the costs of out-of-school activities and special courses for example are disregarded.

To maintain uniformity, the educational activities produced by households are the same as those used in the case of public authorities (see table A). The ancillary activities are also defined in the same way as before. In this case, they are closely related to the educational activities of the members of the household and cover only the functions of transport, school meals and boarding.

Also, only the value of commercial goods and services directly involved in producing education is given. In other words, the monetary value of the time spent by households on educational and ancillary activities (time spent on study, surveillance and support of children, etc.) and the opportunity costs ascribable to attending a training course are not included. Moreover, of all the goods and services incorporated in the educational process, only those acquired on the market are taken into account, i.e. ancillary activities produced within the household or supplied free of charge are not included.

Type of data to be collected

The expenditure data are usually deduced from direct and specific surveys from which the costs borne in each educational sector (first public sector, then the subsidized and unsubsidized private sector) can be identified. These sources of information are devised to provide the expenditure over one complete academic year, and for this purpose they observe samples of households in which at least one member is involved in education, at different times of the academic year.

In many cases however, the expenditure of households can be estimated from consumption data that national statistical institutes collect for wider purposes of calculating consumer price indices. Here too, it is clear that the determination of household expenditure involves surveys that are too extensive for the data to be collected annually. Figures for this expenditure are therefore periodically updated by multiplying the specific expenditure per student found in the survey by the consumer price index and by the number of students enrolled at the corresponding educational level.

However, when such survey data are not available, the expenditure of households can be approximated simply by multiplying the individual fees pupils are required to pay for educational and ancillary activities in one or the other sector by the number of students involved in each activity.

Classification of expenditure

The various transactions made by households in the educational field (fees, purchases of goods and services, transfers and interest payments) are assigned to each of the educational activities in the functional classification described earlier (see table A). When a particular type of expenditure cannot be determined precisely from the data, its contribution is assigned to the predominant function to which it is related, or estimated from additional information obtained from another source.

Table D details the classification of household expenditure used in this guide.

1. Fees paid by students

These include fees for educational activities and other similar payments.

1.1 Fees for educational activities

This form of expenditure covers the fees paid to institutions for the education they provide, excluding similar payments detailed in the next section.

Table D

Classification of expenditure by households on education

1. Fees paid by students

    1.1 Fees for educational activities
    1.2 Other similar payments

2. Purchases of non-durable and durable goods

    2.1 Purchases of teaching equipment
    2.2 Other purchases of goods

3. Purchases of ancillary services

    3.1 School transport services
    3.2 School meals and boarding

4. Transfers to members of the household

5. Repayments of loan interest

6. Other expenditure

7. Total expenditure

1.2 Other similar payments

These include school insurance, compulsory or voluntary payments to parents' associations, and payments made for the issue of certificates and diplomas.

2. Purchases of non-durable and durable goods

This category includes the purchases of goods by families as part of the educational process.

2.1 Purchases of teaching equipment

This section includes the purchases of books, exercise books and other supplies necessary for school purposes including durable equipment (dictionaries, calculators, drawing equipment, etc.).

2.2 Other purchases of goods

This category includes purchases of equipment and clothing necessary for school purposes (school bags, rucksacks, uniforms, pinafores, work and sporting apparel and footwear, etc.)

3. Purchases of ancillary services

This section lists the payments households make each year for the different ancillary activities considered.

3.1 School transport services

This expenditure includes that related to the use of collective school transport services, as well as expenditure on urban and inter-city transport used regularly for the purpose of educational activities, although excluding individual transport costs.

3.2 School meals and boarding

This expenditure concerns the use of collective catering and accommodation services provided by institutions (canteens and boarding facilities, restaurants and university residences). When the continuation of studies involves living away from home and when students do not use the above services, the expenditure on accommodation and food involved in the continuation of studies is taken into account. However the monetary equivalent of services provided free of charge or produced within the household (meals taken at home, accommodation at home or in a secondary residence of the household) is disregarded.

4. Transfers to members of the household

This section includes transfers made to members of the household who are continuing their studies away from home and who pay the costs of their studies directly in this way. These transfers are intended exclusively to cover the direct and ancillary educational expenditure covered in the guide and do not include, for example, expenditure on apparel, leisure activities or pocket money given to members of the household.

5. Repayments of loan interest

This category covers the repayments of interest on loans taken out to fund the studies of members of the household, regardless of the use to which the loan is put.

6. Other expenditure

This category covers any expenditure not specified above.

7. Total expenditure

The total expenditure combines all the items described above.

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III. Expenditure by enterprises

Definitions

Educational expenditure by enterprises covers expenditure by private and public enterprises. Private enterprises include industrial, commercial and financial institutions in which a majority or significant part of the shares is held by private interests. Public enterprises are defined as industrial, commercial and financial units belonging to public authorities and/or controlled by these authorities, and which, like the private enterprises, produce and sell goods and services; these enterprises have a degree of autonomy and constitute the public sector together with the different governmental authorities.

The educational expenditure considered here is either that resulting from the initiative of these two types of enterprise, or that which is imposed upon them by the country's legal and regulatory framework. The funds allocated for training are for the personnel working in these enterprises as well as for other groups of individuals. In other words, the training expenditure taken into account in this guide relates not only to the internal or continuing training activities of the enterprises, arranged in their own training centres and/or bought-in on the training market, but also external training activities organised by public and private educational institutions and in which the enterprises are involved through their compulsory contributions made in respect of vocational training.

Training activities which form part of ordinary and university education in which enterprises are involved, for example by taking on trainees or apprentices, are not considered here.

Type of data to be collected

Expenditure on external training is lumped together with the compulsory contributions enterprises make towards the funding of vocational training. These monies, which are usually paid over in the form of transfers to public authorities, are extracted from these authorities' accounts. However, when enterprises are able to use their contribution to satisfy their own training requirements, these are naturally incorporated in the internal training expenditure observed at a later date. Finally, when enterprises are allowed to pay

their contributions directly to private institutions, the sums involved are deduced from survey data on the funding and expenditure of private institutions[6].

Expenditure on internal training can be deduced from the mandatory declarations that enterprises are sometimes required to make.

Most often however, this expenditure is estimated using data from representative surveys, modified according to the size, business sector and public or private nature of the enterprises. The information collected concerns the expenditure actually disbursed by the enterprises during the year in question, and not the expenditure planned in the training schemes. The estimated data obtained from these sources are generalised to national level by weighting the average expenditure by the number of enterprises belonging to each level. Between surveys, data are updated by taking into account the past unitary expenditure, the change in the prices index and the number of people who have completed their training at the time the educational expenditure is evaluated. As regards the information listed, the surveys on which the estimates are based are designed so as to quantify the current and capital expenditure related to the internal training activities of enterprises, this expenditure also being consolidated with that of public authorities when the latter subsidize some of the training activities.

Classification of expenditure

Table E shows the classification of expenditure used in this guide. Current expenditure is shown separately from capital expenditure. Also, only transfers to public authorities which include the contributions of enterprises to vocational training are classified according to the educational activity they concern (see table A).

1. Current expenditure

Current expenditure covers the costs of running the training centres of enterprises, the emoluments of trainees, purchases of training on the market and the compulsory transfers to public authorities.

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[6] See next section

Table E

Classification of training expenditure of enterprises

1. Current expenditure

    1.1 Emoluments of personnel

        1.1.1 Teaching staff
        1.1.2 Non-teaching staff
        1.1.3 Trainees

    1.2 Purchases of supplies and teaching equipment

    1.3 Expenditure on transport, accommodation and catering services

    1.4 Payments to training organizations

    1.5 Transfers to public authorities

    1.6 Other expenditure

2. Capital expenditure

3. Total expenditure

1.1 Emoluments of personnel

The emoluments included are defined in the same way as for public expenditure.

1.1.1 Teaching staff

This category includes the emoluments paid to teaching staff in the training centres of enterprises and to personnel outside these centres, regardless of whether the latter belong to the production staff of the enterprises organising the courses.

1.1.2 Non-teaching staff

These emoluments are the salaries of other categories of personnel involved in the activities of the internal training centres, and/or in the organization of continuing training in the enterprises (secretaries and other personnel in human resources departments assigned to training functions).

1.1.3 Trainees

The emoluments to staff undergoing training and similar activities are evaluated in proportion to the time spent on training.

1.2 Purchases of supplies and teaching equipment

This section includes the purchases of equipment needed for the training activity organised in the enterprise. The costs of utilising the enterprise's own production equipment during training courses are not considered here.

1.3 Expenditure on transport, accommodation and catering services

This category covers all expenditure on transport, accommodation and catering borne by the enterprise as part of continuing training, regardless of whether the enterprise itself has organised the training.

1.4 Payments to training organizations

These payments are made to external training organizations who arrange courses for the staff of the enterprise.

1.5 Transfers to public authorities

This category lists the compulsory contributions paid by enterprises in respect of vocational training, which are used to fund the educational activities of public and private institutions.

1.6 Other expenditure

This category covers any other current expenditure not considered above.

2. Capital expenditure

Capital expenditure includes the purchases of fixed and moveable goods for equipping training centres of enterprises.

3. Total expenditure

This category covers all the items described above.

IV. The resources and expenditure of private institutions

Definitions

Here we consider the subsidized and unsubsidized private institutions defined earlier. Their activities are analysed in a similar manner to those of public educational institutions. As before, a distinction will be made between their educational activities and their ancillary activities; however the definitions of expenditure are the same and will not be repeated here.

The educational activities of these institutions satisfy the criteria of the ISCED and resemble those of public authorities (see table A). Thus any out-of-school activities that the institutions may organise are not taken into account. For example the non-compulsory lessons that may be included in special courses for a particular group of students, additional activities (visits to theatres, museums, firms, festivals, religious celebrations, excursions, etc.) and certain ancillary services offered by the institutions (libraries, film clubs, etc.) are excluded from the analysis.

Type of data to be collected

Resources and expenditure are deduced from the declarations that private institutions are occasionally required to make.

However, when such information is not available, resources and expenditure are estimated using data from representative surveys of institutions belonging to this group. Information is then obtained from samples of institutions broken down according to size, the level and type of education provided, and their legal and economic characteristics. The data collected in this way relate to the actual resources and expenditure of the institutions and not to budget forecasts. The estimated data are generalized to national level by weighting the average expenditure of the samples by the number of institutions belonging to each group. Finally, between surveys, data are updated by taking account of past per capita expenditure, changes in the prices index and the number of students attending these institutions at the time the educational expenditure was assessed. As regards the information listed, the surveys on which the estimates are based are designed to include all the resources and expenditure of the private institutions for the activities covered by this guide.

(a) Classification of resources

The resources of the institutions are classified according to type and source. **Table F** shows the classification of resources used in this guide. Only the fees paid by the students are subdivided by educational activity[7].

1. Fees paid by students

This category includes the resources generated by fees and the sale of ancillary services to students.

1.1 Fees for educational activities

This section covers the fees paid by students for the educational activities provided by the institutions. Fees relating to out-of-school activities, school insurance and contributions to parent associations for example are not regarded as resources.

1.2 Fees for ancillary services

This section includes the payments made by families for using school transport, catering and boarding services provided by the institutions.

2. Current transfers

These transfers are intended to fund current expenditure on teaching activities and ancillary activities. They are paid to the institutions by public authorities, enterprises, non-profitmaking institutions or possibly come from overseas. The amounts listed are those granted by these different sources during the reference period, regardless of whether they have been received by the institutions at the relevant date, and transfers corresponding to another financial period are therefore excluded.

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[7] It will be noted that the expenditure of households on private education evaluated here underestimates the expenditure that may be observed using the survey data given in the previous section.

Table F

Classification of resources of private institutions

1. Fees paid by students
    - 1.1 Fees for educational activities
    - 1.2 Fees for ancillary services
        - 1.2.1 School transport services
        - 1.2.2 Catering and boarding services

2. Current transfers
    - 2.1 From public authorities
    - 2.2 From enterprises
    - 2.3 From non-profitmaking institutions
    - 2.4 From overseas

3. Capital transfers
    - 3.1 From public authorities
    - 3.2 From enterprises
    - 3.3 From non-profitmaking institutions
    - 3.4 From overseas

4. Other transfers
    - 4.1 From public authorities
    - 4.2 From enterprises
    - 4.3 From non-profitmaking institutions
    - 4.4 From overseas

5. Other income

6. Loans
    - 6.1 From public authorities
    - 6.2 From private financial institutions

7. Total resources

3. Capital transfers

These transfers are intended to fund the capital expenditure on educational and ancillary activities. Their sources are the same as those given above and they are accounted for in the same way.

4. Other transfers

This section includes any transfers which have no specified final purpose, using the principles described above.

5. Other income

This category covers financial revenue and the product of the sale of certain goods and services, excluding the transport, catering and boarding services provided to students.

6. Loans

This section includes loans received during the period of evaluation of the resources of institutions, coming from public authorities and private financial institutions.

7. Total resources

This section covers all the items described above.

b) Classification of expenditure

As for public authorities, the expenditure of private institutions is classified by function and by nature.

1. Functional classification of expenditure

The functional typology used here is the same as that described in the case of public authorities (see table A), with a distinction made between educational and ancillary activities, using the definitions already given. The ancillary activities are detailed according to the educational activity for which they are intended.

The transactions made by the institutions are assigned to each of the functions included in this classification. Where institutions have a number of educational activities, the common portions of educational expenditure and the ancillary expenditure related to this are assigned to each, *pro rata* to the number of students enrolled in each educational activity, or are allocated to the predominant function to which they refer.

2. The economic classification of expenditure

The expenditure includes all non-reimbursable payments made by private institutions in the field of education defined above.

Table G gives the economic classification of these transactions. Current expenditure is separated from capital expenditure; the definitions of the different terms used are similar to those given in the case of public authorities and are not repeated here.

Table G

Economic classification of expenditure of private institutions

1. Current expenditure

    1.1 Emoluments of personnel
        1.1.1 Teaching staff
        1.1.2 Non-teaching staff

    1.2 Purchases of goods and services
        1.2.1 Purchases of teaching equipment
        1.2.2 Other purchases of goods and services

    1.3 Repayments of loan interest

    1.4 Other expenditure

2. Capital expenditure

    2.1 Purchase of fixed assets
        2.1.1 Land
        2.1.2 Buildings

    2.2 Purchases of moveable goods

    2.3 Other expenditure

3. Total expenditure

This example is given in an attempt to relate the concepts defined above to the information now being requested in the UNESCO questionnaire.

For this exercise it is assumed, although this is not specified in the recommendations provided, that the data to be collected cover the expenditure of public and private resident sponsors for the purposes of education organised within the country. Also, having regard to table 2 in the questionnaire, it is assumed that in the UNESCO approach, public expenditure includes only that of public authorities and that the expenditure of enterprises in the public sector is included with private expenditure.

The definitions given below relate to the preparation of tables 3, 4, 5 and 6 in the questionnaire. The information these tables seek refers to the entire system which has just been described.

To facilitate presentation, the concepts referred to are identified by the serial number given in the definition table for the expenditure of each sponsor.

For practical reasons, the example is limited to illustrating the definition of total public and private expenditure on all educational and ancillary activities, when the information detailed above would make it possible to list these by level of education[8]. However, the sources of funding for private expenditure used in this example concern all levels of education.

The results of the application are given in **table H**.

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[8] Having regard to the information system, private expenditure at each level would nevertheless include transfers from overseas to private educational institutions, the breakdown of which by educational activity is not known.

Table II

Definition of information requested in the UNESCO questionnaire

PUBLIC EXPENDITURE

(1) FOR PUBLIC AND PRIVATE EDUCATION

TOTAL INITIAL EXPENDITURE OF PUBLIC AUTHORITIES (B/4)	LESS	TRANSFERS BY PUBLIC AUTHORITIES TO OVERSEAS (B/1.3.4 + B/2.3.2)	LESS	OVERSEAS LOANS BY PUBLIC AUTHORITIES (B/3.3)

(2) FOR PUBLIC EDUCATION

TOTAL INITIAL EXPENDITURE OF PUBLIC AUTHORITIES (B/4)	LESS	TRANSFERS BY PUBLIC AUTHORITIES TO OVERSEAS (B/1.3.4 + B/2.3.2)	LESS	OVERSEAS LOANS BY PUBLIC AUTHORITIES (B/3.3)	LESS	TRANSFERS FROM PUBLIC AUTHORITIES TO PRIVATE INSTITUTIONS (B/1.3.1 + B/2.3.1)	LESS	LOANS BY PUBLIC AUTHORITIES TO PRIVATE INSTITUTIONS (B/3.1)	LESS	TRANSFERS FROM PUB AUTHORITIES TO ENTERI (B/1.3.3)

(3) FOR PRIVATE EDUCATION

TRANSFERS FROM PUBLIC AUTHORITIES TO PRIVATE INSTITUTIONS (B/1.3.1 + B/2.3.1)	PLUS	LOANS BY PUBLIC AUTHORITIES TO PRIVATE INSTITUTIONS (B/3.1)	PLUS	TRANSFERS FROM PUBLIC AUTHORITIES TO ENTERPRISES (B/1.3.3)

.../.

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Table II (continued)

Definition of information requested in the UNESCO questionnaire

PRIVATE EXPENDITURE

(1) FOR PUBLIC AND PRIVATE EDUCATION

FINAL EXPENDITURE OF HOUSEHOLDS FOR PUBLIC EDUCATION (D/7)	LESS	TRANSFERS FROM PUBLIC AUTHORITIES TO HOUSEHOLDS (B/1.3.2)	PLUS	FINAL EXPENDITURE OF PRIVATE INSTITUTIONS (G/3)	LESS	TRANSFERS FROM PUBLIC AUTHORITIES TO PRIVATE INSTITUTIONS (B/1.3.1 + B/2.3.1)	PLUS	FINAL EXPENDITURE OF ENTERPRISES (E/3)	LESS	TRANSFERS FROM PUBLIC AUTHORITIES TO ENTERPRISES (B/1.3.3)

(2) FOR PUBLIC EDUCATION

FINAL EXPENDITURE OF HOUSEHOLDS FOR PUBLIC EDUCATION (D/7)	LESS	TRANSFERS FROM PUBLIC AUTHORITIES TO HOUSEHOLDS (B/1.3.2)

(3) FOR PRIVATE EDUCATION

FINAL EXPENDITURE OF PRIVATE INSTITUTIONS (G/3)	LESS	TRANSFERS FROM PUBLIC AUTHORITIES TO PRIVATE INSTITUTIONS (B/1.3.1 + B/2.3.1)	PLUS	FINAL EXPENDITURE OF ENTERPRISES (E/3)	LESS	TRANSFERS FROM PUBLIC AUTHORITIES TO ENTERPRISES (B/1.3.3)

.../.

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Table II (continued)

Definition of information requested in the UNESCO questionnaire

FUNDING OF PRIVATE EXPENDITURE

(1) FOR PUBLIC AND PRIVATE EDUCATION

HOUSEHOLDS

FINAL EXPENDITURE OF HOUSEHOLDS (D/7)	LESS	TRANSFERS FROM PUBLIC AUTHORITIES TO HOUSEHOLDS (B/L 3 2)

ENTERPRISES

FINAL EXPENDITURE OF ENTREPRISES (E/3)	LESS	TRANSFERS FROM PUBLIC AUTHORITIES TO ENTERPRISES (B/L 3 3)	PLUS	TRANSFERS FROM ENTERPRISES TO PRIVATE INSTITUTIONS (E/2 2 + E/3 2 + E/4 2)

NON-PROFITMAKING INSTITUTIONS

TRANSFERS FROM NON-PROFITMAKING INSTITUTIONS TO PRIVATE INSTITUTIONS (F/2 3 + F/3 3 + F/4 3)

(2) FOR PUBLIC EDUCATION

HOUSEHOLDS

FINAL EXPENDITURE OF HOUSEHOLDS FOR PUBLIC EDUCATION (D/7)	LESS	TRANSFERS FROM PUBLIC AUTHORITIES TO HOUSEHOLDS (B/L 3 2)

ENTERPRISES

TRANSFERS FROM ENTREPRISES TO PUBLIC AUTHORITIES (E/L 5)

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Table II

Definition of information requested in the UNESCO questionnaire

FUNDING OF PRIVATE EXPENDITURE

(3) FOR PRIVATE EDUCATION

HOUSEHOLDS

FINAL EXPENDITURE OF HOUSEHOLDS FOR PRIVATE EDUCATION (D/7)

ENTERPRISES

FINAL EXPENDITURE OF ENTREPRISES (E/3)	LESS	TRANSFERS FROM PUBLIC AUTHORITIES TO ENTERPRISES (IV/1.3.3)	PLUS	TRANSFERS FROM ENTERPRISES TO PRIVATE INSTITUTIONS (F/2.2 + F/3.2 + F/4.2)

NON-PROFIT INSTITUTIONS

TRANSFERS FROM NON-PROFITMAKING INSTITUTIONS TO PRIVATE INSTITUTIONS (F/2.3 + F/3.3 + F/4.3)